

VASHISHTHA LUXURY FASHION LIMITED

CODE OF CONDUCT FOR BOARD OF DIRECTORS AND SENIOR MANAGEMENT

1. Introduction

Vashishtha Luxury Fashion Limited ("**Company**") is committed to conducting business in accordance with the highest standards of business ethics and complying with applicable laws, rules and regulations.

This Code of Conduct for Board of Directors and Senior Management ("**Code of Conduct**") has been framed in compliance with the Regulation 17(5) of SEBI (Listing Obligations & Disclosure Requirements) Regulation, 2015 ("LODR Regulations") and the Companies Act, 2013 and Rules thereunder (including any statutory modification(s) and/or re – enactment(s) thereof for the time being in force).

2. Objective

This Code of Conduct is intended to provide guidance to the Board of Directors and Senior Management Personnel to manage the affairs of the Company in an ethical manner. This code of conduct is set out to maintain the high standards of transparency and develop a culture of honesty and accountability. The purpose of this code is to adopt and set the standards to be followed which can enhance the value of the company.

3. Applicability

This Code shall be applicable and binding to the Board of Directors and the Senior Management Personnel of the Company. The Code has been formulated and adopted by the Board on the meeting held on 1st July 2024 and shall be applicable with immediate effect.

4. Definitions

"Board" means the Board of the Directors of the Company.

"Conflict of Interest" means where the interests or benefits of one person or entity conflicts with the interests or benefits of the Company;

"Senior Management" shall mean officers/personnel of the listed entity who are members of its core management team excluding board of directors and normally this shall comprise all members of management one level below the chief executive officer/managing director/whole time director.

"Executive Directors/Whole time Directors" shall mean and include Company's Managing Director and Directors who are in whole time employment of the Company.

"Independent Directors" shall mean an Independent Director as per the provisions of the Companies Act, 2013 and Securities and Exchange Board of India (Listing Obligations and

Disclosure Requirement) Regulations, 2015 (as revised from time to time).

5. Guidelines For Conduct

The Board Members and Senior Management Personnel shall observe the highest standards of ethical conduct and integrity and shall work to the best of their ability and judgement and observe the following code of conduct:

Honesty & Integrity, Fairness and Accountability

- i. Conduct their activities, on behalf of the company, with honesty, integrity, and fairness.
- ii. Act in good faith, responsibly, with due care, competence, and diligence, without allowing their independent judgement to be subordinated.
- iii. Act in the best interests of the company and fulfil the fiduciary obligations.

Compliance

Ensure compliance and endeavour to ensure that the management is causing the Company to comply, with applicable laws, rules and regulations as applicable to the company.

Confidentiality Of Information

Any information concerning the Company's business, its customers, suppliers, etc., which is not in the public domain and to which the Directors and Senior Management personnel have access or possesses such information, must be considered confidential and held in confidence, unless authorized to do so and when disclosure is required as a matter of law.

The Company's confidential including but not limited to commercial secrets, technologies, advertising, future projections or business plans and sales promotion plans, unpublished price sensitive information and proprietary information shall not be inappropriately disclosed or used for the personal gain or advantage of the Director/ Senior Management or anyone other than the Company unless such disclosure is approved by the Board or required by law.

Insider Trading

Director/Senior Management personnel shall not derive benefit or assist others to derive benefit by giving investment advice based on unpublished price sensitive information (defined in SEBI (Prohibition of Insider Trading) Regulations, 2015) about the company and therefore constituting insider information. All Directors/Senior Management Personnel shall comply with SEBI (Prohibition of Insider Trading) Regulations, 2015 and insider trading policy of the Company.

Conflict Of Interest

The Directors and Senior Management shall not engage in any activity, business, or relationship, which may be in conflict with the interest of the Company or prejudicial to the Company's interest. They should avoid transacting company business with their relative or with a firm/ company in which either they themselves or their relative are interested or plays any significant role and in case such related party transaction is unavoidable, it must be made only after proper and fullest disclosure to the Board.

Gifts And Donations

The Directors and Senior Management shall neither receive nor offer or make, directly or indirectly, any illegal payments, remuneration, gifts, donations, or comparable benefits that are intended, or perceived, to obtain uncompetitive favour for the conduct of its business.

Nominal gifts on occasions of festival are acceptable, provided such gifts are customarily given are of a commemorative nature and not with an intention to influence the director's and Senior Management actions as a member of the Board, or where acceptance of the gift could create the appearance of a conflict of interest.

Company Property

In carrying out their duties and responsibilities, Board Member and Senior Management Personnel should endeavour to ensure that the Company's assets, proprietary information and resources to be used by the Company and its employees only for legitimate business purposes of the Company and not for any personal interest.

Disclosure of Interest

The Directors shall promptly disclose at the time of their appointment and subsequently whenever there is a change, their interest in other companies and body corporates in compliance with applicable laws.

The Directors and Senior Management shall also promptly disclose their relationships with other individuals, firms, or body corporate wherever such relationship may affect their independence of judgment while performing their duties and responsibilities towards the Company.

Miscellaneous:

It would be impractical to attempt to list all possible situations. If a proposed transaction or situation raises any questions or doubts, they must be resolved after consultation with the Company's Board of Directors.

6. Duties of Directors

The Directors of the Company in Section 166 of the Companies Act,2013) and SEBI (LODR) Regulations, 2015 shall:

- i. act in accordance with the Articles of the Company.
- ii. act in good faith in order to promote the objects of the Company for the benefit of its members as a whole, and in the best interests of the Company, its employees, the shareholders, the community and for the protection of environment.
- iii. exercise his duties with due and reasonable care, skill and diligence and shall exercise independent judgment.
- iv. not involve in a situation in which he may have a direct or indirect interest that conflicts, or possibly may conflict, with the interest of the Company.
- v. not achieve or attempt to achieve any undue gain or advantage either to himself or to his relatives, partners, or associates and if such director is found guilty of

making any undue gain, he shall be liable to pay an amount equal to that gain to the Company.

vi. not assign his office and any assignment so made shall be void.

7. Duties of Independent Directors

The Independent Directors of the Company shall discharge their duties as per the “Code for Independent Directors” specified under Schedule IV read with section 149(8) of the Companies Act, 2013 (including any statutory modifications or re-enactment thereof). The list of such duties is given below:

- i. uphold ethical standards of integrity and probity.
- ii. act objectively and constructively while exercising his duties.
- iii. exercise his responsibilities in a bona fide manner in the interest of the company.
- iv. devote sufficient time and attention to his professional obligations for informed and balanced decision making.
- v. not allow any extraneous considerations that will vitiate his exercise of objective independent judgment in the paramount interest of the company as a whole, while concurring in or dissenting from the collective judgment of the Board in its decision making.
- vi. not abuse his position to the detriment of the company or its shareholders or for the purpose of gaining direct or indirect personal advantage or advantage for any associated person.
- vii. refrain from any action that would lead to loss of his independence.
- viii. where circumstances arise which make an independent director lose his independence, the independent director must immediately inform the Board accordingly.
- ix. assist the company in implementing the best corporate governance practices.

8. Non Compliance of the Code

Suspected violations of this Code may be reported to Managing Director or Chairman of the Company. All reported violations should be appropriately investigated.

A Board member or Senior Management Personnel charged with a violation of this Code should not participate in a vote of a Committee or the Board concerning his/her alleged violation, but may be present at a meeting of the Board or of a Committee convened for that purpose. Any waiver of this Code must be approved by Managing Director of the Company and publicly disclosed if required by any applicable law or regulation.

9. Declaration for Compliance with the Code of Conduct

The members of the Board and Senior Management shall affirm the compliance with the Code on an annual basis and shall sign a confirmation to that effect as per the format set out in **Annexure II.**

The annual report of the Company shall carry a declaration signed by the Managing Director of the Company stating that the members of Board and Senior Management have affirmed compliance with the Code as per Regulation 34(3) read with Part D of Schedule V of SEBI (LODR) Regulation, 2015.

10. Disclosure

This Code of conduct and any amendments thereto shall be uploaded on the Company's website i.e. www.vashishthaluxuryfashion.com

11. Reporting, Violation, Action And Waiver

While every Director and member of Senior Management has to himself ensure compliance with this code, any instance of violation or possible violation of this code by the concerned Director or member of Senior Management shall be immediately reported to the Board through the compliance officer. The same shall be considered by the Board for initiating appropriate action, as deemed necessary.

Any waiver of any provision of this Code for a member of the Company's Board of Directors or a member of the Senior Management must be approved in writing by the Board of Directors of the Company.

12. Policy Review/Amendments

The Board may amend, modify, or revise any or all clause of this code. In the event of any conflict between the provisions of this Policy and of the Act or regulations or any other statutory enactments, the provisions of such Act or regulations or statutory enactments would prevail over the Policy and the provisions in the policy would be modified in due course to make it consistent with law.
